

What's at Stake for Nebraska?

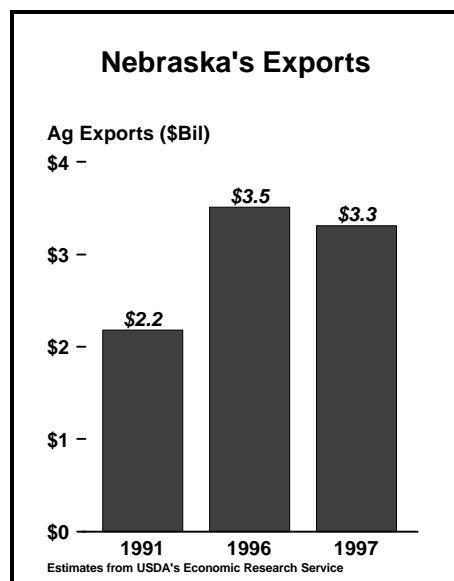
Nebraska is one of the leading producers of agricultural products and a major exporter. In 1997, Nebraska ranked 4th among all 50 states in the value of its agricultural exports. The state's exports reached an estimated \$3.3 billion, up from \$2.2 billion in 1991. These exports help boost farm prices and income, while supporting about 56,100 jobs both on the farm and off the farm in food processing, transportation and manufacturing. Exports are increasingly important to Nebraska's agricultural and state-wide economy. Measured as exports divided by farm cash receipts, the state's reliance on agricultural exports rose from 24% to 33% since 1991.

The top five agricultural exports in 1997 were:

- # feed grains and products -- \$1.1 billion
- # live animals and red meats -- \$737 million
- # soybeans and products -- \$526 million
- # animal hides and skins -- \$304 million
- # feeds and fodders -- \$249 million

World demand for these products is increasing, but so is competition among suppliers. If Nebraska's farmers, ranchers, and food processors are to compete successfully for the export opportunities of the 21st century, they need *fair trade* and *fair access* to growing global markets.

Nebraska Producers Benefit from Trade Agreements



Nebraska is already benefitting from a number of agricultural trade agreements. While there is still much to be done, examples of new market opportunities for Nebraska include:

- # Nebraska, the nation's 3rd largest feed corn producer, benefits under the Uruguay Round as Japan increases its 3.75-million-ton zero duty quota for feed corn by 450,000 tons by 2000. South Korea is lowering its in-quota tariff on feed corn and popcorn from 3% to 1.8% from 1995 to 2005. Korea will also reduce tariffs on mixed animal feeds from 7% to 4.2%.
- # The nation's 3rd leading producer of finished cattle, Nebraska benefits from the Uruguay Round with a 38% reduction in the quantity of EU beef receiving export subsidies by 2000. Japan is reducing beef tariffs from 50% to 38.5%. Korea will eliminate its beef import quota by 2001 and reduce its tariffs to 40% by 2004. Under NAFTA, Mexico eliminated its 15% tariff on live cattle, its 20% tariff on U.S. chilled beef, and its 25% tariff on frozen product.
- # As the nation's 11th largest wheat producer, Nebraska benefits under the Uruguay Round from a 33% reduction in the quantity of EU wheat receiving export subsidies by 2000. Japan is expanding its 5,530,000 ton tariff-rate quota by 35,000 tons annually from 1995 to 2000.